

LITVINOFF DENIES SOVIET AIMED AT U. S. GOVERNMENT

Interprets Hughes Statement as Interfering in Russian Affairs.

SEES TRADE PACT SOON

Does Not Believe Secretary's Reply to Moscow Is Last Word.

SAYS ALL LABOR IS FREE

Other Leaders Fear Dangers of Quick End to Present Rule.

By CAPT. FRANCIS MCCULLAGH.

Special Cable to THE NEW YORK HERALD.

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Reval, April 3.—Maxim Litvinoff,

Bolshevik Minister and Trade Envoy

to the Baltic States, asserted to-day

that he did not know if the statement

issued by Secretary of State Hughes

on March 25 was a reply to Russia's

message regarding a resumption of

trade with America. Mr. Hughes made

it clear that the Washington Adminis-

tration refused to be stampeded into a

trade agreement with Russia. M.

Litvinoff gave as his reason for not

regarding the statement as a reply to

the Moscow Government, "as he (Mr.

Hughes) did not deal with the points

raised in the Russian communication,

such as the proposal to send a trade

deputation to the United States."

M. Litvinoff also expressed the opin-

ion that Mr. Hughes's statement was

not the last word from America.

"It is more than likely that it is a

general statement without reference

to the Russian message, which has not

yet been considered in Washington,"

M. Litvinoff said to THE NEW YORK

HERALD correspondent. "The American

statement speaks of guarantees of

personal safety and private property.

Does this refer to Russian landlords

and capitalists? If so, it is an inter-

ference with the Russian Government

system, as though the American ob-

jection to the Soviet is based on the

unfounded suspicion that the Soviet

is plotting to overthrow the American

Government.

"The Soviet cannot give such

guarantees. If it refers to Americans

in Russia, then the Soviet is most

ready to offer to America whatever

guarantees she wants."

Tells of Metals in Russia.

Regarding the statement that Russia

cannot supply the goods America wants,

M. Litvinoff thinks the United States

wants to sell manufactured goods in

Russia, while if she wants raw ma-

terials she can go to Russia and see

if there is anything there that suits her.

He declared that Russia has copper,

platinum and other metals.

With regard to free labor, M. Lit-

vinoff maintained that labor was free

from all rules in Russia, while in re-

ply to the remark by Herbert Hoover,

American Secretary of Commerce, that

trade with Russia was a physical im-

possibility, he declared that trade be-

tween America and Russia actually ex-

isted and that ships laden with Amer-

ican goods were arriving at Reval every

week and that millions of pairs of boots

had been received.

M. Litvinoff exhibited documents in

an effort to prove all this. He declared

that trade between the United States

and Russia was no more impossible

than trade between Russia and Ger-

many. As a matter of fact, Reval is

to-day filled with German goods des-

tined to Russia.

The cooperative societies will be lim-

ited to internal trade in Russia and

the Soviet Government alone will enter

into foreign trade, M. Litvinoff said.

Regarding Soviet agricultural re-

forms, he admitted that the Russian

peasants could not employ labor ex-

cept in their own families.

While Lenin has made a definite

step away from Communism, there re-

mains in Russia a situation that may

give rise to trouble. In the first place,

there is a predominance of the "old

CHARLES IS IN BED; LAID TO 'DIPLOMATIC ILLNESS'

Former Emperor Said to Be Feigning in Order to Prevent Quick Deportation—Willing to Relinquish Crown to Son Otto, Is Report.

By the Associated Press.

STEINAMANGER, Hungary, April 3.—

Former Emperor Charles is ill with

bronchitis. He is suffering from fever

and is having nervous coughing attacks,

according to a bulletin issued to-day

by his Budapest physicians. The bulle-

tin says the former King has no ap-

petite and is obliged to remain in bed.

By the Associated Press.

VIENNA, April 3.—There is some in-

clination here to regard the indisposi-

tion of Charles as "diplomatic illness,"

contracted in order that the former

Emperor may obtain a further delay in

leaving Steinamanger.

The postponement in his departure is

beginning to cause irritation here, as

well as in Prague and Belgrade. De-

spatches from the latter places indicate

that early steps may be taken to hasten

Charles's going. His departure is said

here to be contingent on possible politi-

cal developments at Steinamanger,

where it is reported that large numbers

of members of the nobility are arriving.

In foreign circles here it is asserted

that Charles will resist removal pend-

ing Tuesday's meeting of Parliament.

Count Andrássy is said to be actively

trying to save the day for the Haps-

burgs by inducing Charles to abdicate

in favor of Archduke Otto, his nine-year-

old son, under a Regency.

The difficulty of getting the former

King out of Hungary is said to be due

to differences between the various inter-

ests in charge of the situation. It is

understood that the Socialists have

firmly maintained the position that two

gank," which, inspired by intense sus-

picion, is making no attempt to form a

coalition government and share the

power with the other factions in Rus-

sian politics, and secondly, men who

may be characterized as impossible

characters still represent the Soviet in

high positions throughout Russia.

The Reds recognize the fact that

there is a real danger for them in the

reestablishment of Russia's foreign re-

lations, but necessity has forced them

to run that risk. THE NEW YORK HERALD

correspondent here has interviewed all

the Baltic Foreign Office chiefs. The

unanimous opinion among them is that

Lenin has adopted a temporary policy,

but at the same time they think that for

Moscow he is a Moderate.

They hold that worse government may

follow him if the Russian Soviet disor-

ganization continues, while a better one

may follow if the disorganization eases

gradually. There will continue to be

many difficulties in connection with Rus-

sia and in Russia, and yet a move like

the present one by Lenin is better than

immobility. Moreover, the Russian Gov-

ernment will become susceptible to out-

side pressure once it starts foreign trade.

Publish Soviet Decrees.

Many of the Soviet decrees have been

published in the official organs of the

Moscow Government with a view to car-

rying out the reforms inaugurated by

Lenin. These measures provide that

the cooperative societies are "free and

independent of the State," and permis-

sion is given for "individual, group and

collective or cooperative trading on a

local scale in surplus agricultural prod-

ucts."

The Soviet Government, while yielding

to the peasants in the rural districts,

is still determined to maintain the So-

cialist system in the towns. Hence

there is a danger that foreign trade and

peasant prosperity will serve only to

feed and strengthen a thoroughly bad

system of government.

Four large ships are in the port of

Reval.

Reval, April 3.—Count Michael

Karolyi, leader of the Hungarian in-

dependent party, who was recently ex-

pelled from Italy, has been given per-

mission by the Government to reside in

Serbia. He is expected to take up his

residence in Dubrovnik.

Reval, April 3.—The correspondent

at Vienna of the London Times says he

has been informed from a trustworthy

source that former Emperor Charles is

willing to relinquish his claim to the

throne in favor of his son Otto, with

Admiral Horthy continuing as Regent.

The correspondent adds that it is said

in Vienna the Entente might sanction

such an agreement.

The train which is to convey Charles

to Switzerland is ready at the Soviet

Station in Vienna to start for Stein-

amanger when necessary. But thus far

there is no sign of its leaving.

GALBRAITH REFUTES GERMAN SLANDERS

Quotes Wallace, Colby, Allen and Mrs. Catt in Defence of Blacks on the Rhine.

In a long letter addressed to F. W.

Elven, editor of the Cincinnati Free

Press, made public yesterday, F. W.

Galbraith, Jr., national commander of

the American Legion, refutes the charges

of wholesale misconduct by French

troops along the Rhine and charac-

terizes the whole suggestion of the

"horrors of the Rhine" as a "shadowy

nothing" and a "screened attack on na-

tions friendly to the United States."

Col. Galbraith attaches statements

from Hugh Wallace, American Am-

bassador to France; Bainbridge Colby,

former Secretary of State; Major-Gen.

Henry T. Allen, in command of Ameri-

can troops in Germany; Mrs. Carrie

Chapman Catt and others to prove that

the stories of atrocities by negro troops

have been exaggerated and spread for

propaganda purposes. He declares that

there have been no black troops in

France for several months. This state-

ment agrees with that made by Amba-

ssador Jusserand at the luncheon to M.

Viviani on Saturday to the effect that

there had been no black troops in Ger-

many since June 1. Gen. Allen points

out that the Moroccans and Algerians

that were in France are Arabs of the

Muslim religion and distinct from the

negro race. The others, Gen. Allen

says, were Malays from Madagascar.

In addition, Col. Galbraith submits

statistics received from Francis E.

Drake, commander of the American

Legion in France, giving the result

of an investigation of the alleged mis-

conduct by black troops. This investi-

gation showed the total accusations to

be 125. Of these forty-six were found

to be without foundation and fifty-one

were doubtful, having neither judicial

nor disciplinary foundation. French

courts dealing with the latter class im-

posed sentences exceeding five years in

military prisons in three cases of as-

sault, and of less than five years in

five cases of assault. One case un-

classified five years and three unclassified

less than five years. There were two

acquittals, one suspended sentence

and six accusations of attempted as-

sault failed wholly for lack of proof.

SON OF OGDENSBURG

BANK HEAD ENDS LIFE

Daniel Donahue Had Gone to

Canada to a Dance.

MORRISBURG, Ont., April 3.—Daniel

Donahue, 27 years old, son of P. J.

Donahue, president of the First National

Bank of Ogdensburg, N. Y., committed

suicide in a hotel room here to-day by

shooting himself above the heart. He